

Ameritech's current average that 25% of all customer orders require a premises visit. This includes installation of new and additional lines, and inside wire work. Electronic capacity for feature availability and address validation was assumed to be unlimited, because this data is provided to the requesting carrier by electronic file transfer and subsequent accessibility is under the sole control and capacity of the requesting carrier's system.

45. Order Entry. Ameritech's "Cumulative 1997" demand forecast assumes 724,438 resale service orders on a regional basis. This demand forecast vastly exceeds the forecasts provided by MFS and USN, in order to allow for the potential demand of other large carriers. The planned capacity for 1997, however, will handle 1,650,000 orders. This capacity should be more than sufficient to accommodate potential demand.

46. The failure of AT&T, MCI and Sprint to provide current, detailed monthly demand forecasts obviously makes more specific analysis difficult. An alternative is to consider AT&T's public statement that it expects to capture approximately one-third of the local exchange services market segment within five years, and use that assertion as an assumption for a demand estimate. If one were to: (1) multiply the number of access lines in the Ameritech region (19 million) by a market share figure of 33 percent ($19 \text{ million} \times .33 = 6.3 \text{ million}$); (2) spread that number of lines equally over a five-year period; and (3) assume that all of the demand is for resale services, then AT&T would generate a maximum of 1.26 million "EDI" service orders per year ($6.3 \text{ million access lines} \div 5 = 1.26 \text{ million}$).

Ameritech's 1997 EDI interface planned capacity of 1.65 million resale service orders is more than sufficient to handle that demand. Adding actual forecasted demand for USN and MFS and an estimate for MCI might increase the total demand by another 400,000 orders,

which still would not appreciably exceed Ameritech's planned capacity of 1.65 million resale service orders. Furthermore, as I explain below, planned capacity for resale order entry has been conservatively estimated, and, if necessary, can be expanded without difficulty.

47. The "planned" capacity for resale order entry using the EDI interface, as shown on Schedule 3, was based on a number of conservative assumptions. First, Ameritech assumed an average of one access line per resale service order. In Ameritech's actual experience, however, there are an average of 1.75 access lines per resale service order (because of multi-line business customers and two-line residence customers). Therefore, the capacity figures on Schedule 3 understate—by approximately 40 percent—how many access lines would actually be processed if Ameritech received the stated number of resale orders for 1997.

48. Second, Ameritech assumed that orders would be processed during normal business hours (7 a.m. to 7 p.m., Monday through Friday). This results in a conservative capacity estimate since Ameritech's computer systems are designed to operate 24 hours a day, 365 days per year. Therefore if demand required longer hours of operation, including a "7 x 24" operation, capacity could almost triple, from 60 hours per week (12 hours x 5 days) up to 168 hours per week (24 hours x 7 days).

49. In addition, the "planned" capacity figure used in Schedule 3 is significantly lower than either designed capacity or potential peak capacity. For example, for the first six months of 1997, we assumed a system capacity of 400 orders per hour, rather than the 600 orders per hour for which the system was designed, or the current peak capacity (as measured by volume testing) of at least 900 orders per hour. During the remaining six

months of 1997, based on forecasted demand, we plan to add another computer server, which will almost double system capacity. Again, however, in estimating capacity for planning purposes, we assumed a sustainable volume of 700 orders per hour, rather than the designed capacity of approximately 1,100 orders per hour. Planned capacity for 1997 was calculated as follows:

First 6 Months of 1997 (400 orders per hour x 12 hours per day x 21 days per month x 6 months)	Planned Capacity 600,000
Second 6 Months of 1997 (700 orders per hour x 12 hours per day x 21 days per month x 6 months)	1,050,000
Total Orders	<hr/> 1,650,000

50. Changing any one of our conservative assumptions would substantially increase these figures. For example, if we continue to assume one line per order (rather than 1.75) and only 12 hours per day (rather than 24), but use designed system capacity (i.e., 600 orders per hour and 1,100 orders per hour), then cumulative capacity for 1997 increases from 1,650,000 orders to approximately 2,570,000 orders:

First 6 Months of 1997 (600 orders per hour x 12 hours per day x 21 days per month x 6 months)	Designed Capacity 907,200
Second 6 Months of 1997 (1,100 orders per hour x 12 hours per day x 21 days per month x 6 months)	1,663,200
Total Orders	<hr/> 2,570,400

This "designed" capacity could, again, be almost tripled if hours and days of operation were maximized.

51. Ameritech also has built substantial spare capacity into its order entry interfaces for unbundled network elements. For example, Ameritech is forecasting "Cumulative 1997" regional demand of 136,343 unbundled network element (i.e., ASR) orders. The end-of-year planned capacity of the ASR interface is 360,000 unbundled network element orders.

52. In addition, as shown on Schedule 3, Ameritech has developed a substantial amount of spare capacity for electronic transactions that require manual intervention. Certain types of electronic orders necessarily require manual intervention because of their content or complexity. For example, if a carrier takes over only a subset of a customer's lines, then the customer account has to be split and a new account established for the lines remaining with Ameritech. Orders involving Centrex service, private lines and listing changes also typically require manual intervention because of downstream system complexities. Some orders may also require manual handling for due date assignment, facility assignment or other reasons.

53. Provisioning. There are three provisioning sub-functions. First, a firm order commitment is provided for each order entered. Electronic capacity for firm order commitment is the same as for order entry discussed above. Second, an electronic change in status sub-function provides an electronic report for orders in jeopardy, three times daily. Capacity planning was based on Ameritech's current average of 3% of all orders being in jeopardy daily. The average rate of 3% is applied to a cumulative count of all orders over a three day period. Finally, an order completion notice is sent for each order entered. Electronic capacity for this sub-function is equal to electronic order entry capacity.

54. Maintenance and Repair. Through the T1M1 interface, Ameritech enables requesting telecommunications carriers to electronically transmit Ameritech a trouble report and receive an initial status, based on preliminary testing, and an appointment commitment. Ameritech also provides to requesting telecommunications carriers an update to the trouble report status each time that status is updated by Ameritech personnel, including a completion report. Capacity planning for the repair sub-function was based on Ameritech's current average monthly failure rate of 3.5% on the cumulative line base. Capacity planning for the modify trouble report sub-function was based on Ameritech's current average that 15% of all trouble reports are modified during the duration they are open.

55. Billing Information. Capacity planning for daily usage information assumed the ability to store three months of daily usage files for the specified number of lines. Capacity is stated in lines.

56. OSS Manual Capacity Assumptions. Manual ordering capacity planning is based on service representatives processing 50 orders per day or 1000 orders per month. The pre-ordering function of due date selection and telephone number selection are included in the 1000 orders per month capacity. CSRs are processed by clerical positions with a capacity of 2,300 per month. Maintenance capacities are based on the ability of a maintenance technician to process 256 trouble reports per month. Manual capacities are based on an eight hour work day and a five day work week.

57. Ameritech tracks actual demand levels for the OSS function interfaces supporting resale and unbundled network elements on a monthly basis, comparing actual demand to forecasted demand. In the event that actual demand exceeds forecasted demand.

Ameritech will immediately revise its capacity plans to ensure that capacity remains sized to handle demand six months in advance. If this requires additions to capacity not already planned, or advancement of planned additions to capacity, such changes will be made.

58. There are two dimensions to expanding OSS function and interface capacity: (1) the "front end" systems that must be augmented to permit processing of more transactions; and (2) the additional network and transmission facilities which may have to be installed to connect the front end systems to Ameritech's "back room" internal network operations support systems. The front end systems consist primarily of hardware (i.e., mid-range computers or "servers"), although the requirements for expanding the Company's ability to process electronic orders that require manual intervention is largely workforce-related.

59. With respect to the time intervals that are required to expand capacity for the OSS functions and interfaces, the last column on my Schedule 3, labeled "Time to Add Capacity," reflects the time intervals for each of the OSS functions and sub-functions, both electronic and manual. I will use order entry as an example. The hardware used at the front end of the order entry process consists essentially of mid-range computers that are readily available in the marketplace. Normal order, delivery and installation intervals for such products run approximately 90 days, as indicated in my Schedule 3. Management of these computer systems is currently out-sourced to IBM, which has unsurpassed access to computer hardware.

60. As is true of hardware, the workforce component of expanding order entry capacity is readily manageable. Basic training on these order entry systems can be

accomplished in about two days if the employee is familiar with Ameritech's business operations. It takes about 30 days before an employee is assumed to function at a fully efficient level, but orders would be processed during that entire period. Ameritech can also shift existing employee resources between functions (e.g., if resale demand is higher than expected and unbundled loop demand is lower than expected, service representatives can be shifted from loops to resale). Finally, existing employees can and do work whatever overtime hours are necessary to ensure that service orders are processed on a timely basis.

61. Similarly, facilities involved in the transmission and networking capabilities required to connect the front end systems to the downstream systems are part of Ameritech's own internal network and can be readily expanded within the 90-day interval applicable to the computer facilities at the front end.

62. Manual processing also can provide a solution to any electronic interface capacity problems. As I indicated previously, the Company has built substantial spare capacity into its manual processing capabilities. The speed of manual processing compares favorably with the speed of electronic processing. Manual orders which are received by 3:00 p.m. on a given business day are processed that business day. Manual orders received after 3:00 p.m. are processed the next business day. Regardless of whether an order is electronically processed or manually processed, the service order interval (i.e., the time in which the service order actually would be completed) would be the same.

63. Manual order handling capacity generally can be expanded within a 6-week time frame. The principal exception is repair and maintenance, which for planning purposes

is assumed to require a 12-week interval, to allow for the need to hire new installation and maintenance personnel off the street.

64. Ameritech likely will be able to expand its hardware facilities or workforce capabilities even faster than the intervals outlined in Schedule 3 and described above. The 90 day interval for computer hardware reflects standard provisioning intervals for the front end systems. However, equipment can also be obtained on an expedited basis, albeit at higher cost. If a capacity crisis were to develop for the electronic interfaces (which is highly unlikely), additional front-end hardware capacity could be made operational in four weeks or less. Manual capacity for both ordering and repair and maintenance could be expanded within one week, if necessary.

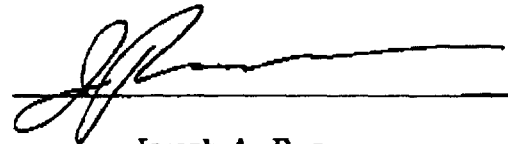
65. I do not anticipate substantial increases in repair and maintenance activity over current levels as a result of resale or continued or increased purchase of unbundled loops. Where resold lines and/or unbundled loops are associated with existing customers, overall repair and maintenance activity should remain relatively constant. The source of the trouble report simply shifts from the end user to the end user's new carrier. To the extent there is an overall increase in the number of installed lines, there could be an increase in the overall number of trouble reports. However, a certain amount of spare capacity has been built into the repair and maintenance systems to address this possibility, as shown in my Schedule 3.

Conclusion

66. In summary, Ameritech's OSS interfaces are operational, available, and are being furnished to all requesting telecommunications carriers today. The interfaces are more than adequately sized to meet demand, and are expandable on a timely basis, so that Ameritech can rapidly respond to any changes in marketplace demand. Thus, Ameritech has the ability to provide requesting carriers with unbundled, nondiscriminatory access to its OSS functions.

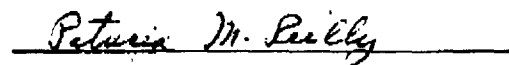
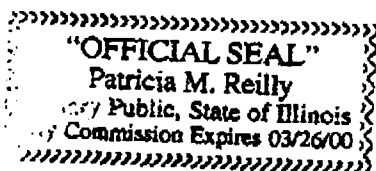
67. This concludes my affidavit.

I hereby swear, under penalty of perjury, that the foregoing is true and correct, to the best of my knowledge and belief.



Joseph A. Rogers

Subscribed and sworn before me this 30th of December, 1996.



Notary Public

My Commission expires: 03/26/00

**AFFIDAVIT OF
JOSEPH A. ROGERS
SCHEDULE 1**

AT&T / Ameritech Production Testing

From October 7, 1996 to November 26 1996

<u>Category</u>	<u>Reason</u>	<u>Total Orders</u>	<u>Manual Intervention</u>	<u>Automatic Process</u>
Orders Rejected		90	22	68
	Order Number already exists	39	0	39
	Order for existing AT&T account	12	12	0
	PIC or LPIC error	8	3	4
	Invalid Order Date	7	0	7
	NPA/NXX not valid	3	0	3
	Unknown USOC	5	0	6
	TN is invalid or No TN Match	3	2	1
	Duplicate Request	2	2	0
	Additional Listing OR RCU	2	1	1
	Name match error	1	1	0
	Invalid Line Activity	1	0	1
	Invalid Address	1	1	0
	NPA/NXX not valid	3	0	3
	Ameritech DB error, re-flowed	3	0	3
Orders Processed		67	47	20
Total Order Transactions Processed		157	69	88

**AFFIDAVIT OF
JOSEPH A. ROGERS
SCHEDULE 2**

See Separate Volume

**AFFIDAVIT OF
JOSEPH A. ROGERS
SCHEDULE 3**

CONFIDENTIAL

C: = Capacity in Thousands (000)
D: = Peak Demand in Thousands (000)

OPERATIONS SUPPORT SYSTEM CAPACITY

	Interface	ELECTRONIC INTERFACE						MANUAL					
		MONTHLY CAPACITY				Cumulative 1997	Time to Add Capacity	MONTHLY CAPACITY				Cumulative 1997	Time to Add Capacity
Pre-Ordering/Ordering		1Q'97	2Q'97	3Q'97	4Q'97			1Q'97	2Q'97	3Q'97	4Q'97		
CSRs	EDI	C: 57 D: 19	C: 57 D: 23	C: 100 D: 51	C: 100 D: 51	C: 942 D: 724	12 weeks	C: 12 D: 7	C: 24 D: 9	C: 36 D: 18	C: 36 D: 17	C: 288 D: 241	6 weeks
Tel #	EDI	C: 15 D: 5	C: 15 D: 5	C: 28 D: 14	C: 26 D: 13	C: 246 D: 108	12 weeks	C: 7 D: 3	C: 7 D: 4	C: 14 D: 7	C: 14 D: 7	C: 118 D: 60	6 weeks
Due Date	EDI	C: 25 D: 9	C: 25 D: 9	C: 43 D: 23	C: 43 D: 21	C: 406 D: 181	12 weeks	C: 10 D: 5	C: 10 D: 6	C: 21 D: 12	C: 21 D: 11	C: 200 D: 150	6 weeks
Feature Avail.	File Transfer	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Address Valld.	File Transfer	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Order Entry	EDI	C: 100 D: 34	C: 100 D: 42	C: 175 D: 90	C: 175 D: 85	C: 1650 D: 724	12 weeks	C: 24 D: 17	C: 57 D: 21	C: 57 D: 46	C: 57 D: 43	C: 495 D: 362	6 weeks
Order Entry	ASR	C: 30 D: 14	C: 30 D: 22	C: 30 D: 11	C: 30 D: 12	C: 360 D: 136	12 weeks	C: 16 D: 14	C: 23 D: 22	C: 23 D: 11	C: 23 D: 12	C: 202 D: 66	6 weeks
Provisioning													
Firm Ord. Confirm.	EDI	C: 100 D: 34	C: 100 D: 42	C: 175 D: 90	C: 175 D: 85	C: 1650 D: 724	12 weeks	C: 25 D: 17	C: 50 D: 21	C: 50 D: 45	C: 50 D: 43	C: 450 D: 362	6 weeks
Firm Ord. Confirm.	ASR	C: 30 D: 14	C: 30 D: 22	C: 30 D: 11	C: 30 D: 12	C: 360 D: 136	12 weeks	C: 14 D: 14	C: 28 D: 22	C: 28 D: 11	C: 28 D: 12	C: 252 D: 66	6 weeks
Change in Status	EDI	C: 30 D: 1	C: 30 D: 1	C: 53 D: 2	C: 53 D: 2	C: 495 D: 21	12 weeks	N/A	N/A	N/A	N/A	N/A	N/A
Completion	EDI	C: 100 D: 34	C: 100 D: 42	C: 175 D: 90	C: 175 D: 85	C: 1650 D: 724	12 weeks	N/A	N/A	N/A	N/A	N/A	N/A
Repair/Maint.													
Init. Trouble Rpt.	T1M1	C: 30 D: 0	C: 30 D: 0	C: 40 D: 0	C: 50 D: 0	C: 450 D: 0	12 weeks	C: 5 D: 4	C: 11 D: 10	C: 20 D: 19	C: 30 D: 27	C: 180 D: 158	12 weeks
Confirm Receipt	T1M1	C: 30 D: 0	C: 30 D: 0	C: 40 D: 0	C: 50 D: 0	C: 450 D: 0	12 weeks	C: 5 D: 4	C: 11 D: 10	C: 20 D: 19	C: 30 D: 27	C: 180 D: 158	12 weeks
Modify Trouble Rpt.	T1M1	C: 30 D: 0	C: 30 D: 0	C: 40 D: 0	C: 50 D: 0	C: 450 D: 0	12 weeks	C: 5 D: 4	C: 11 D: 10	C: 20 D: 19	C: 30 D: 27	C: 180 D: 158	12 weeks
Close Trouble Rpt.	T1M1	C: 30 D: 0	C: 30 D: 0	C: 40 D: 0	C: 50 D: 0	C: 450 D: 0	12 weeks	C: 5 D: 4	C: 11 D: 10	C: 20 D: 19	C: 30 D: 27	C: 180 D: 158	12 weeks
Status	T1M1	C: 30 D: 0	C: 30 D: 0	C: 40 D: 0	C: 50 D: 0	C: 450 D: 0	12 weeks	C: 5 D: 4	C: 11 D: 10	C: 20 D: 19	C: 30 D: 27	C: 180 D: 158	12 weeks
Escalate	T1M1	N/A	N/A	N/A	N/A	N/A	N/A	C: 5 D: 0.04	C: 11 D: 0.1	C: 20 D: 0.19	C: 30 D: 0.27	C: 1.80 D: 15.8	12 weeks
Billing Information													
Usage (lines)	EMR	C: 750 D: 20	C: 750 D: 43	C: 1000 D: 82	C: 1000 D: 724	C: 10500 D: 4519	26 weeks	N/A	N/A	N/A	N/A	N/A	N/A
Monthly Bill	CABS/AEBS	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited		N/A	N/A	N/A	N/A	N/A	N/A

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P.28/29

**Tab #81 Filed under Confidential Seal with the
Michigan Public Service Commission**

**Contains Copy of Schedule 2 of Volume 2.8,
Affidavit of Joseph A. Rogers**



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Craig A. Anderson
Counsel

January 16, 1997

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
P.O. Box 30221
Lansing, MI 48909

MICHIGAN PUBLIC SERVICE
FILED

JAN 16 1997

COMMISSION

Re: MPSC Case No. U-11104.

Dear Ms. Wideman:

Enclosed for filing in the above-referenced case is an original and fifteen copies of the Ameritech Michigan's Supplemental Information Filing.

Very truly yours,

C. Anderson (per)

Enclosure

cc: All Parties of Record

CAA:jkt

MICHIGAN PUBLIC SERVICE
FILED

STATE OF MICHIGAN

JAN 16 1997

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion,)
to consider Ameritech Michigan's compliance) Case No. U-11104
with the competitive checklist in Section 271)
of the Telecommunications Act of 1996.)

AMERITECH MICHIGAN'S SUPPLEMENTAL INFORMATION FILING

Ameritech Michigan¹ submits the following information updating prior submissions of information in this proceeding and also concerning the matters raised in the January 9, 1997 filings by AT&T, MCI, Sprint, TCG Detroit (TCG), Telecommunications Resellers Association (TRA), Michigan Cable Television Association (MCTA), and the Competitive Telecommunications Association (Comptel) in order that the record herein be accurate.²

This filing is divided into two parts. Part I provides additional information concerning matters raised in the Commission's August 28, 1996 order in this docket, specifically in Attachments A and B. Part II provides information responsive to matters raised in the January 9, 1997 filings.³

¹Michigan Bell Telephone Company, a Michigan corporation, is a wholly owned subsidiary of Ameritech Corporation, which owns the former Bell operating companies in the states of Michigan, Illinois, Wisconsin, Indiana, and Ohio. Michigan Bell offers telecommunications services and operates under the names "Ameritech" and "Ameritech Michigan" (used interchangeably herein), pursuant to assumed name filings with the state of Michigan.

²The Commission's August 28, 1996 order in this docket permitted interested parties to file information they believe necessary for the Commission's decision at any time during the pendency of this matter.

³On January 16, 1997, Ameritech Michigan received late-filed comments from MFS Intelenet of Michigan, Inc. Ameritech Michigan is reviewing this late-filed submission and, if necessary, will file an appropriate response as soon as possible.

I. RECENT DEVELOPMENTS

The following significant events have occurred since Ameritech Michigan's November 12, 1996 response to the Commission's inquiries in Attachment A and Ameritech Michigan's December 16, 1996 response to Attachment B:

- On November 14, 1996 in Case No. U-11160, the Commission granted the application of MFS Intelenet of Michigan, Inc., to expand its basic local exchange authority to include all exchanges throughout the state served by Ameritech Michigan and GTE North.
- On November 14, 1996, the Commission granted the application of AT&T in Case No. U-11169 to amend its license to authorize provision of basic local exchange service in the upper peninsula and Saginaw LATA exchanges currently served by Ameritech Michigan and GTE North.
- On November 14, 1996, in Case No. U-11246, Building Communications, Inc., applied for a basic local exchange license to serve certain Detroit area exchanges.
- On November 26, 1996, the Commission entered an order in Case No. U-11164 granting the application of Sprint Communications Company, L.P., for a license to provide basic local exchange service in the Detroit and Lansing LATA exchanges currently served by Ameritech Michigan and GTE North, Inc.
- On November 26, 1996, in Case No. U-11178, the Commission entered an order approving the interconnection agreement between Brooks Fiber Communication of Michigan, Inc., and Ameritech Michigan.
- On December 12, 1996, in Case No. U-11284, US Network filed an application with the Commission to expand its existing license to include several additional exchanges across the state, including Lansing, Grand Rapids, Traverse City, Battle Creek, Flint, Port Huron, and others.
- On December 18, 1996, an application was filed in Case No. U-11287 for approval of an interconnection agreement between WinStar Wireless, Inc., and Ameritech Michigan.
- On December 20, 1996, the Commission granted a license to provide basic local exchange service to Comcast Telephony Communications of Michigan, Inc. (CTCMI) and Comcast MH Telephony Communications of Michigan, Inc. (Comcast MH) in Case Nos. U-11194 and U-11195, respectively. CTCMI was granted a license to provide basic local exchange service in cities, villages, and townships currently served by Ameritech

Michigan in southeastern Michigan, as specified in the Commission's order. Similarly, Comcast MH was granted a license to provide basic local exchange within cities and townships in southeastern Michigan served by Ameritech Michigan as specified in the order.

- On December 20, 1996, the Commission issued an order in the arbitration between MCI Telecommunications Corporation and Ameritech Michigan in Case No. U-11168.
- On December 20, 1996, the Commission issued an order in Case No. U-11098 approving the amended interconnection agreements between Ameritech Michigan and MFS Intelenet of Michigan, Inc.
- On December 23, 1996, in MPSC Case No. U-11292, an application was filed for approval of an interconnection agreement between Air Touch Cellular, Inc., and Ameritech Michigan.
- On December 27, 1996, in Case No. U-11295, KMC Telecom, Inc., filed an application to provide basic local exchange services in Ameritech and GTE exchanges.
- On January 8, 1997, the Commission, in Case No. U-11219, granted a basic local exchange license to Coast to Coast Telecommunications to provide basic local exchange service in all geographic areas of the lower peninsula currently served by Ameritech Michigan.
- On January 9, 1997, BRE Communications of Michigan filed a petition for arbitration in Case No. U-11296 seeking arbitration of an interconnection agreement with Ameritech Michigan (although BRE has indicated that it is withdrawing its request for arbitration).
- On January 15, 1997, the Commission issued an order in Case No. U-11203 approving the interconnection agreement between Sprint Communications Company, L.P., and Ameritech Michigan.
- On January 15, 1997, in Case No. U-11297, A.R.C. Networks, Inc., filed an application to provide basic local exchange services in certain Detroit and Grand Rapids exchanges.
- Attached is an advertisement on behalf of MCI from the Detroit Free Press on January 15, 1997, advertising their provision of local service in the metropolitan Detroit area.

Also attached hereto are two corrected pages from Ameritech Michigan's December 16, 1996 submission of information (pp. 2 and 5). The original submission contained an error in the citation and reference to Ameritech Michigan's tariff offering of interconnection service.

Finally, on December 27, 1996, Ameritech Michigan submitted information herein as requested by Staff relating to local dialing parity and intraLATA toll dialing parity. Since the date of that filing, Ameritech Michigan has implemented intraLATA toll dialing parity in the exchanges specified in Schedule C, Section III, attached to that filing. In addition, attached hereto are two subsequent court orders relating to intraLATA dialing parity which have been entered since Ameritech Michigan's December 27, 1996 submission.

II. RESPONSES TO JANUARY 9, 1997 FILINGS

Introduction

Not surprisingly, several parties, including the three largest interexchange carriers who dominate the long distance business, argue that Ameritech Michigan has not complied with the competitive checklist that will enable Ameritech Michigan to compete with them in the long distance business. What is surprising is that none of these parties' comments provided any substantive information in response to the Commission's inquiries in Attachments A and B in this docket concerning their own provision of telecommunications services to customers in Michigan, their plans for initiating local exchange competition, or the extent to which they are currently offering service to local exchange customers in Michigan, either over their own facilities or via components purchased from Ameritech Michigan. While these commentators all try to call into question the information submitted by Ameritech Michigan in response to the Commission's inquiries, none of these parties have submitted any substantive information of their own.

The only competition envisioned by those trying to protect their oligopoly in the long distance marketplace appears to be to see who can invent the

most creative new barriers to Ameritech Michigan's entry. Some of the more outlandish requirements that these parties try to overlay on the plain language of the checklist include TCG's creation of a "six month rule" which would require that at least six months of positive performance reports be required after full implementation by competing providers before the Commission can even begin to consider Ameritech Michigan's compliance with the competitive checklist, or MCTA's contention that this Commission cannot even begin to consider Ameritech Michigan's compliance with the checklist until local municipalities in this state cease trying to enforce their ordinances regarding telecommunications carriers.

Ameritech Michigan's competitors have also used this proceeding to try to relitigate issues which have already been addressed by arbitration panels or which have been addressed by this Commission or the FCC in other proceedings, to try to expand the scope of this proceeding to litigate the public interest test, to rewrite the federal Act to reinsert a "metrics" test – all making abundantly clear that their intent is to not cooperate with the Commission's inquiry, but rather, to use the regulatory process to slow-roll the entry of real competition in the long distance business. At the same time, these competitors all claim that the checklist has not been met because interconnection agreements have not been actually implemented. Yet no explanation is offered to Staff's cogent question as to why some of these entities, who have had licenses granted by this Commission in place for well over a year and who have had the same ability to interconnect, purchase unbundled elements, and avail themselves of all the necessary prerequisites of local competition as Brooks Fiber, have not chosen to implement these interconnection agreements. As stated by Staff in its November 7, 1996 comments:

"[Staff's] first concern is whether these competitive local exchange licenses are creating choices for Michigan business and residential phone customers or are they merely creating corporate value for the license holders. MFS has had its competitive local exchange license for 17

months. According to a discovery response, it is currently serving only 72 subscriber local exchange customers ... AT&T has had its competitive local exchange license for 10 months. According to a discovery response, AT&T is currently not providing basic local exchange service."

Ameritech Michigan's responsive information will be structured following the subject matter format of the Commission's original inquiries in Attachments A and B. Ameritech Michigan will address other issues which are unrelated to the Commission's inquiries in this docket under the last subheading, "Miscellaneous Issues."

ATTACHMENT A

General Telecommunications Market Conditions In Michigan

Several parties contend that competition in the local exchange has not progressed sufficiently. (See, e.g., AT&T, MCI, Sprint, etc.) However, these parties ignore the fundamental reality that the federal Act does not require a specific level of competition in order for Ameritech Michigan to qualify for interLATA relief. The "metrics" tests which had been urged by AT&T, et al., in the legislative process, and prior to that, before the DOJ, were rejected by Congress. Various commentators attempt to get around this reality by various arguments, such as that until there is a certain level of competition, there can be no determination whether operational support systems work or there must be a six month waiting period for verifying performance benchmarks. However, the fact that no specific level of competition is required is abundantly clear from the face of the Act and its legislative history. Since these and other legal issues have been addressed in the Illinois proceeding (ICC Docket 96-0404) addressing checklist compliance, many parties here included filings from that docket in their comments. Rather than lengthen these reply comments, Ameritech Michigan submits as an attachment (and incorporates by